

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 6682

BILL NUMBER: HB 1576

DATE PREPARED: Feb 19, 2001

BILL AMENDED: Feb 19, 2001

SUBJECT: Railway Safety.

FISCAL ANALYST: James Sperlik

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FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill provides the Indiana Department of Transportation (INDOT) with health and safety inspection authority for, among other areas, railroad rights-of-way, terminals, rail yards, and rail loading and unloading facilities, to the extent that this authority does not violate or is preempted by federal law. It provides that the INDOT may order the removal of a dangerous or an unhealthy condition in property owned or operated by a railroad. The bill provides for a fine schedule for violations of railroad health or safety conditions, to be recovered in an action to be brought by the INDOT.

Effective Date: July 1, 2001.

Explanation of State Expenditures: (Revised) The bill provides that the INDOT may inspect railroad rights-of-way, terminals, rail yards, and rail loading and unloading facilities. The December 2, 2000, staffing report for the INDOT listed six employees in the Railroad Division. Presumably, this division would conduct any inspections required in this bill.

Any additional funds and resources that may be required could be supplied through a variety of sources, including the following: (1) Existing staff and resources not currently being used to capacity; (2) Existing staff and resources currently being used in another program; (3) Authorized, but vacant, staff positions, including those positions that would need to be reclassified; (4) Funds that, otherwise, would be reverted; or (5) New appropriations. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions.

The budget submitted by the INDOT for the 2001-2003 biennium contained 391 vacancies with all of them funded. The fund affected is the State Highway Fund. For FY 2000, the INDOT reverted \$257.6 M from a variety of accounts.

The bill, as amended, could involve the Attorney General in the recovery of any penalties which would occur as a result of the violations contained in this proposal. The fund affected is the State General Fund which

supports the operation of the Attorney General. It is assumed that the Attorney General would handle any cases with the current staff.

Explanation of State Revenues: (Revised) The bill provides for a fine schedule for violations of railroad health or safety conditions, to be recovered in an action to be brought by the INDOT. The penalty schedule is as follows:

<u>Violation Number</u>	<u>Amount of Penalty</u>	
	<u>At least</u>	<u>But not more than</u>
First violation	\$100	\$500
Second violation	\$500	\$1,000
Third violation	\$1,000	\$5,000
Fourth violation	\$5,000	\$10,000

A penalty under this proposal is recovered through a legal action brought by the Attorney General, or under the direction of the Attorney General, in the name of the INDOT. Any revenue generated would be deposited in the State General Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Transportation; Attorney General.

Local Agencies Affected:

Information Sources: INDOT budget; December 2, 2000, Staffing Table.